

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

In re LEAPFROG ENTERPRISES, INC.
SECURITIES LITIGATION

) Master File No. 3:15-cv-00347-EMC

) CLASS ACTION

This Document Relates To:

) ~~PROPOSED~~ ORDER AWARDING
) ATTORNEYS' FEES AND EXPENSES

ALL ACTIONS.

1 THIS MATTER having come before the Court on October 25, 2018, on Lead Counsel's
2 Motion for an Award of Attorneys' Fees, Payment of Expenses, and Reimbursement of Lead
3 Plaintiff's Costs and Expenses (ECF No. 185) in the above-captioned action; the Court having
4 considered all papers filed and proceedings conducted herein and otherwise being fully informed of
5 the matters hereto and good cause appearing therefore;

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

7 1. For purposes of this Order, the terms used herein shall have the same meanings as set
8 forth in the Stipulation of Settlement dated February 22, 2018 (the "Stipulation"). ECF No. 170-1.

9 2. This Court has jurisdiction over the subject matter of this Action and all matters
10 relating hereto, including all members of the Settlement Class who have not timely and validly
11 requested exclusion.

12 3. Notice of Lead Counsel's motion for attorneys' fees and payment of expenses was
13 given to all Settlement Class Members who could be identified with reasonable effort. The form and
14 method of notifying the Settlement Class of the motion for attorneys' fees and expenses met the
15 requirements of Rules 23 and 54 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the
16 Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), as amended by the Private Securities
17 Litigation Reform Act of 1995, due process, and any other applicable law, constituted the best notice
18 practicable under the circumstances, and constituted due and sufficient notice to all persons and
19 entities entitled thereto.

20 4. The Court hereby awards Lead Counsel attorneys' fees of 25% of the Settlement
21 Amount, plus expenses in the amount of \$187,783.96, together with the interest earned thereon for
22 the same time period and at the same rate as that earned on the Settlement Fund until paid. The
23 Court finds that the amount of fees awarded is appropriate, fair, and reasonable under the
24 "percentage-of-recovery" method given the substantial risks of non-recovery, the contingent nature
25 of the representation, awards in similar cases, the time and effort involved, and the result obtained
26 for the Settlement Class. *See Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1049-50 (9th Cir. 2002).

27 5. The awarded attorneys' fees and expenses and interest earned thereon shall be paid to
28 Lead Counsel from the Settlement Fund immediately upon entry of this Order, subject to the terms,

1 conditions, and obligations of the Stipulation, the terms, conditions, and obligations of which are
2 incorporated herein.

3 6. In making this award of fees and expenses to Lead Counsel, the Court has considered
4 and found that:

5 (a) the Settlement has created a fund of \$5,500,000 in cash that is already on
6 deposit, and numerous Settlement Class Members who submit, or have submitted, valid Proof of
7 Claim and Release forms will benefit from the Settlement created by Lead Counsel;

8 (b) over 40,300 copies of the Notice were disseminated to potential Settlement
9 Class Members indicating that Lead Counsel would move for attorneys' fees not to exceed 25% of
10 the Settlement Amount and for expenses in an amount not to exceed \$275,000, plus interest thereon,
11 and no objections to the fees or expenses were filed by Settlement Class Members;

12 (c) Lead Counsel have pursued the Action and achieved the Settlement with skill,
13 perseverance and diligent advocacy;

14 (d) Lead Counsel have expended substantial time and effort pursuing the Action
15 on behalf of the Settlement Class;

16 (e) Lead Counsel pursued the Action on a contingent basis, having received no
17 compensation during the Action, and any fee amount has been contingent on the result achieved;

18 (f) the Action involves complex factual and legal issues and, in the absence of
19 settlement, would involve lengthy proceedings whose resolution would be uncertain;

20 (g) had Lead Counsel not achieved the Settlement, there would remain a
21 significant risk that the Settlement Class may have recovered less or nothing from Defendants;

22 (h) Lead Counsel ^{appears to} have devoted over 4,900 hours, with a lodestar value of
23 \$2,864,757.50 to achieve the Settlement;

24 (i) Lead Plaintiff approved the amount of attorneys' fees awarded as fair and
25 reasonable; and

26 (j) the attorneys' fees and expenses awarded are fair and reasonable and
27 consistent with awards in similar cases within the Ninth Circuit.

28

1 7. Pursuant to 15 U.S.C. §78u-4(a)(4), the Court awards Lead Plaintiff KBC Asset
2 Management NV \$5,600 for its time and expenses representing the Settlement Class.

3 IT IS SO ORDERED.

4 DATED: October 26, 2018

